



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-570-107]

### **Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2021**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The U.S. Department of Commerce (Commerce) determines that countervailable subsidies were provided to certain producers and exporters of wooden cabinets and vanities and components thereof (wooden cabinets) from the People's Republic of China (China) during the period of review (POR) January 1, 2021, through December 31, 2021. Commerce is also rescinding the review with respect to five companies.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Michael Romani or Richard Roberts, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC, 20230; telephone: (202) 482-0198 or (202) 482-3464, respectively.

### **SUPPLEMENTARY INFORMATION:**

#### Background

Commerce published the *Preliminary Results* of this administrative review in the *Federal Register* on May 5, 2023, and invited interested parties to comment.<sup>1</sup> For a complete description

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<sup>1</sup> See *Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, Rescission of Administrative Review in Part, and Intent To Rescind in Part; 2021*, 88 FR 29084 (May 5, 2023) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

of the events that occurred subsequent to the *Preliminary Results*, see the Issues and Decision Memorandum.<sup>2</sup>

### Scope of the Order<sup>3</sup>

The products covered by the scope of the *Order* are wooden cabinets from China. A full description of the scope of the *Order* is contained in the Issues and Decision Memorandum.

### Analysis of Comments Received

All issues raised by the interested parties in their case and rebuttal briefs are addressed in the Issues and Decision Memorandum. A list of topics discussed in the Issues and Decision Memorandum is provided in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Changes Since the Preliminary Results

Based on our analysis of comments from interested parties and the evidence on the record, we revised the calculation of the net countervailable subsidy rates for Fujian Dushi Wooden Industry Co. (Dushi) and Jiangsu Sunwell Cabinetry Co., Ltd. (Sunwell). For a discussion of the issues, see the Issues and Decision Memorandum.

### Methodology

Commerce conducted this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be countervailable, we find that there is a subsidy, *i.e.*, a government-provided financial

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<sup>2</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China; 2021," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>3</sup> See *Certain Corrosion Inhibitors from the People's Republic of China: Antidumping Duty and Countervailing Duty Orders*, 86 FR 14869 (March 19, 2021) (*Order*).

contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>4</sup> For a complete description of the methodology underlying all of Commerce's conclusions, including our reliance, in part, on facts otherwise available, including adverse facts available, pursuant to sections 776(a) and (b) of the Act, *see* the Issues and Decision Memorandum.

#### Partial Rescission of Review

Commerce's practice is to rescind an administrative review of a countervailing duty order, pursuant to 19 CFR 351.213(d)(3), when there are no reviewable entries of subject merchandise during the POR for which liquidation is suspended.<sup>5</sup> Normally, upon completion of an administrative review, the suspended entries are liquidated at the countervailing duty assessment rate calculated for the review period.<sup>6</sup> Therefore, for an administrative review of a company to be conducted, there must be a reviewable, suspended entry that Commerce can instruct U.S. Customs and Border Protection (CBP) to liquidate at the calculated countervailing duty assessment rate calculated for the review period.<sup>7</sup>

We find five companies subject to this review: (1) Shouguang Fushi Wood Co., Ltd.; (2) Taizhou Overseas Int'l Ltd.; (3) Yixing Pengjia Technology Co., Ltd.; (4) Zaozhuang New Sharp Import & Export Trading Co., Ltd.; and (5) Zhoushan For-strong Wood Co., Ltd. did not have reviewable entries of subject merchandise for which liquidation is suspended. Because there is no evidence on the record that these five companies had entries, exports, or sales of subject

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<sup>4</sup> *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

<sup>5</sup> *See, e.g., Lightweight Thermal Paper from the People's Republic of China: Notice of Rescission of Countervailing Duty Administrative Review; 2015, 82 FR 14349 (March 20, 2017); and Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Rescission of Countervailing Duty Administrative Review; 2017, 84 FR 14650 (April 11, 2019).*

<sup>6</sup> *See* 19 CFR 351.212(b)(2).

<sup>7</sup> *See* 19 CFR 351.213(d)(3).

merchandise during the POR, we are rescinding this review with respect to these five companies consistent with 19 CFR 351.213(d)(3).

#### Companies Not Selected for Individual Review

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides the basis for calculating the all-others rate in an investigation. Section 705(c)(5)(A)(i) of the Act instructs Commerce, as a general rule, to calculate the all-others rate equal to the weighted average of the countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero or *de minimis* countervailable subsidy rates, and any rates determined entirely on the basis of facts available.

There are eight companies for which a review was requested and not rescinded, and which were not selected as mandatory respondents or found to be cross-owned with a mandatory respondent. In this review, the rates for Dushi and Sunwell were above *de minimis* and not based entirely on facts available. Therefore, we are applying to the non-selected companies the average of the net subsidy rates calculated for Dushi and Sunwell, which we calculated using publicly-ranged sales data submitted by Dushi and Sunwell.<sup>8</sup>

This is the same methodology Commerce applied in the *Preliminary Results* for determining a rate for companies not selected for individual examination. However, due to

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<sup>8</sup> With two respondents under examination, Commerce normally calculates: (A) a weighted-average of the estimated subsidy rates calculated for the examined respondents; (B) a simple average of the estimated subsidy rates calculated for the examined respondents; and (C) a weighted average of the estimated subsidy rates calculated for the examined respondents using each company's publicly-ranged U.S. sale quantities for the merchandise under consideration. Commerce then compares (B) and (C) to (A) and selects the rate closest to (A) as the most appropriate rate for all other producers and exporters. See, e.g., *Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010).

changes in the subsidy rate calculations for Dushi and Sunwell, we revised the non-selected rate accordingly. Consequently, for the eight non-selected companies for which a review was requested and not rescinded, we are applying an *ad valorem* subsidy rate of 13.63 percent for 2021.

#### Final Results of Review

We determine the following net countervailable subsidy rates exist for the period January 1, 2021, through December 31, 2021:

<b>Company</b>	<b>Subsidy Rate – 2021 (percent <i>ad valorem</i>)</b>
Fujian Dushi Wooden Industry Co.	16.13
Jiangsu Sunwell Cabinetry Co., Ltd. <sup>9</sup>	7.54
<b>Review-Specific Average Rate Applicable to the Following Companies<sup>10</sup></b>	
KM Cabinetry Co, Ltd.	13.63
Nantong Aershin Cabinet Co., Ltd.	13.63
Shanghai Zifeng International Trading Co., Ltd. <sup>11</sup>	13.63
Sheen Lead International Trading (Shanghai) Co., Ltd. <sup>12</sup>	13.63
Taishan Oversea Trading Company Ltd.	13.63
Weifang Fuxing Wood Co., Ltd.	13.63
Xiamen Adler Cabinetry Co., Ltd.	13.63
Yixing Pengjia Cabinetry Co., Ltd.	13.63

#### Disclosure

Commerce intends to disclose calculations and analysis performed for the final results of review within five days after the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b).

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<sup>9</sup> Commerce finds the following companies to be cross-owned with Sunwell: Shanghai Beautystar Cabinetry Co., Ltd.

<sup>10</sup> This rate is based on the rate for the respondent that was selected for individual review, excluding rates that are zero, *de minimis*, or based entirely on facts available. See section 735(c)(5)(A) of the Act.

<sup>11</sup> See Issues and Decision Memorandum at Comment 1.

<sup>12</sup> *Id.*

### Assessment Requirements

In accordance with section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), Commerce has determined, and CBP shall assess, countervailing duties on all appropriate entries covered by this review, for the above-listed companies at the applicable *ad valorem* assessment rates listed for the corresponding time periods (*i.e.*, January 1, 2021, to December 31, 2021). Commerce intends to issue assessment instructions to CBP no earlier than 35 days after publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

### Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown above for the above-listed companies with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of these final results of review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the all-others rate or the most recent company-specific rate applicable to the company, as appropriate. These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

### Administrative Protective Order

This notice also serves as a final reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials or conversion to judicial protective

order, is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

The final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213(d)(3), and 19 CFR 351.221(b)(5).

**Dated:** November 1, 2023.

**Lisa W. Wang,**  
*Assistant Secretary for Enforcement and Compliance.*

## Appendix

### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Partial Rescission of Administrative Review
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- VI. Subsidies Valuation
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  - Comment 1: Whether Commerce Should Rescind the Review for Sheen Lead International Trading (Shanghai) Co., Ltd. (Sheen Lead) or Shanghai Zifeng International Trading Co., Ltd. (Shanghai Zifeng)
  - Comment 2: Whether Commerce Should Apply Adverse Facts Available (AFA) to the Export Buyer's Credit (EBC) Program
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  - Comment 6: Whether Commerce Should Use a Free-On-Board (FOB) Sales Denominator
  - Comment 7: Whether Commerce Should Change Benchmarks Used to Measure the Benefit for Certain Policy Loans Received by Fujian Dushi Wooden Industry Company (Dushi)
  - Comment 8: Whether Commerce Should Calculate All Benefits under the Provision of Electricity for LTAR
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  - Comment 10: Whether Commerce Should Correct Errors in the Calculations Used to Measure the Adequacy of Remuneration from the Provision of Certain Inputs
  - Comment 11: Whether Commerce Should Adjust the Calculation of Benchmark Interest Applied to Jiangsu Sunwell Cabinetry Co., Ltd.'s (Sunwell) Loans
  - Comment 12: Whether Commerce Should Adjust the Benefit Calculation for the Provision of Electricity for LTAR Program for Sunwell
- XI. Recommendation

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